

1 EDMUND G. BROWN JR., Attorney General
of the State of California
2 MARC D. GREENBAUM
Supervising Deputy Attorney General
3 CHRISTINA THOMAS, State Bar No. 171168
Deputy Attorney General
4 300 So. Spring Street, Suite 1702
Los Angeles, CA 90013
5 Telephone: (213) 897-2557
Facsimile: (213) 897-2804
6

7 Attorneys for Complainant

8 **BEFORE THE**
CALIFORNIA BOARD OF ACCOUNTANCY
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2009-6

12 FELIX RODOLFO WASSER
14945 Ventura Blvd., Suite 222
13 Sherman Oaks, CA 91403

A C C U S A T I O N

14 Certified Public Accountant Certificate No. 24043

15 and

16 FELIX R. WASSER & ASSOCIATES, AN
ACCOUNTANCY CORPORATION,
17 14945 Ventura Blvd., Suite 222
Sherman Oaks, CA 91403

18 Certified Public Accountancy Corporation
19 Certificate No. COR 4602

20 Respondent.
21

22 Complainant alleges:

23 **PARTIES**

24 1. Patti Bowers (Complainant) brings this Accusation solely in her official
25 capacity as the Executive Officer of the California Board of Accountancy, Department of
26 Consumer Affairs.

27 2. On or about December 10, 1976, the California Board of Accountancy
28 (Board) issued Certified Public Accountant Certificate No. 24043 to Felix Rodolfo Wasser

1 (Respondent). The Certificate was not valid November 1, 1997, through November 21, 1997,
2 and at all other times, was in full force and effect. The Certified Public Accountant Certificate
3 will expire on October 31, 2009, unless renewed.

4 3. On or about November 21, 1998, the Board issued Certified Public
5 Accountancy Corporation Certificate No. COR 4602 to Felix R. Wasser & Associates, An
6 Accountancy Corporation, with Felix Rodolfo Wasser, as sole shareholder (Respondent
7 Corporation). The Corporation Certification was delinquent December 1, 2002, through
8 January 22, 2003, and at all other times, was in full force and effect until its expiration on
9 November 30, 2008, and has not been renewed.

10 JURISDICTION

11 4. This Accusation is brought before the Board, Department of Consumer
12 Affairs, under the authority of the following laws. All section references are to the Business and
13 Professions Code unless otherwise indicated.

14 STATUTORY PROVISIONS

15 5. Section 5100 states, in pertinent part:

16 "After notice and hearing the board may revoke, suspend, or refuse to renew any
17 permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5
18 (commencing with Section 5080), or may censure the holder of that permit or certificate for
19 unprofessional conduct that includes, but is not limited to, one or any combination of the
20 following causes:

21
22 "(c) Dishonesty, fraud, gross negligence, or repeated negligent acts committed in
23 the same or different engagements, for the same or different clients, or any combination of
24 engagements or clients, each resulting in a violation of applicable professional standards that
25 indicate a lack of competency in the practice of public accountancy or in the performance of the
26 bookkeeping operations described in Section 5052.

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"(i) Fiscal dishonesty or breach of fiduciary responsibility of any kind.

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"(k) Embezzlement, theft, misappropriation of funds or property, or obtaining money, property, or other valuable consideration by fraudulent means or false pretenses. . . ."

6. Section 5109 states:

“The expiration, cancellation, forfeiture, or suspension of a license, practice, privilege, or other authority to practice public accountancy by operation of law or by order or decision of the board or a court of law, or the voluntary surrender of a license by a licensee shall not deprive the board of jurisdiction to commence or proceed with any investigation of or action or disciplinary proceeding against the licensee, or to render a decision suspending or revoking the license.”

COST RECOVERY

7. Section 5107, subdivision (a), states:

"The executive officer of the board may request the administrative law judge, as part of the proposed decision in a disciplinary proceeding, to direct any holder of a permit or certificate found to have committed a violation or violations of this chapter to pay to the board all reasonable costs of investigation and prosecution of the case, including, but not limited to, attorneys' fees. The board shall not recover costs incurred at the administrative hearing."

FIRST CAUSE FOR DISCIPLINE

(Fraud, Dishonesty)

8. Respondents are subject to disciplinary action under section 5100, subdivision (c), on the grounds of unprofessional conduct, in that Respondents committed fraudulent and dishonest acts in the practice of public accountancy. The circumstances are as follows:

a. Respondents were engaged by clients¹ B.F. and her corporation, BFBO

1. Names have been omitted for purpose of privacy. The names and contact information for the client(s) involved in this Accusation will be disclosed upon receipt of a proper request for discovery.

1 (inclusively, hereinafter "Clients") as their accountant for over 10 years. Clients entrusted
2 Respondents with authority over their corporation's bank account for the purposes of handling
3 business transactions. During a two and one-half year period on or between January 14, 2005,
4 through on or about July 2, 2007, in 45 separate transactions, Respondents breached their
5 fiduciary responsibility by withdrawing approximately \$202,250 of Clients' funds for their own
6 personal use and benefit, without Clients' knowledge.

7 b. On or about July 5, 2007, Clients terminated their client relationship with
8 Respondents, ending Respondents' fiduciary duty over Clients' funds and the corporation's bank
9 account. At the termination of the client - accountant relationship, Clients requested their
10 records. On or about July 6, 2007, Respondents disclosed their indiscretions, unauthorized
11 banking transactions and breach of their fiduciary duty to Clients in a written memo and an
12 accounting.

13 c. On or about November 21, 2007, as a result of civil litigation filed by
14 Clients against Respondents, and alternative dispute resolution, mediation, the parties entered
15 into a written settlement agreement. Within the stipulated settlement agreement, Respondents
16 admitted to stealing funds from Clients in the excess amount of \$78,000, and agreed upon terms
17 for payment of a settlement amount of \$155,000 to Clients.

18 **SECOND CAUSE FOR DISCIPLINE**

19 **(Breach of Fiduciary Duty)**

20 9. Respondents are subject to disciplinary action under section 5100,
21 subdivision (i), on the grounds of unprofessional conduct, in that on or between January 14,
22 2005, through on or about July 2, 2007, Respondents knowingly breached their fiduciary
23 responsibility with Clients. Complainant refers to and by this reference incorporates the
24 allegations set forth in paragraph 8, subdivisions (a) - (c), inclusive, above, as though set forth
25 fully.

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1 **THIRD CAUSE FOR DISCIPLINE**

2 **(Embezzlement, Theft, Misappropriation of Funds)**

3 10. Respondents are subject to disciplinary action under section 5100,
4 subdivision (k), on the grounds of unprofessional conduct, in that on or between January 14,
5 2005, through on or about July 2, 2007, Respondents embezzled, stole, and/or misappropriated
6 funds. Complainant refers to and by this reference incorporates the allegations set forth in
7 paragraphs 8, subdivisions (a) - (c), and 9, inclusive, above, as though set forth fully.

8 **PRAYER**

9 WHEREFORE, Complainant requests that a hearing be held on the matters herein
10 alleged, and that following the hearing, the Board issue a decision:


11 1. Revoking or suspending or otherwise imposing discipline upon Certified
12 Public Accountant Certificate No. 24043, issued to Respondent;

13 2. Revoking or suspending or otherwise imposing discipline upon Certified
14 Public Accountancy Corporation Certificate No. COR 4602, issued to Respondent Corporation;

15 3. Ordering Respondents to pay the California Board of Accountancy the
16 reasonable costs of the investigation and enforcement of this case, pursuant to Business and
17 Professions Code section 5107;

18 4. Taking such other and further action as deemed necessary and proper.

19 DATED: February 25th 2009

20 
21 PATTI BOWERS
22 Executive Officer
23 California Board of Accountancy
24 Department of Consumer Affairs
25 State of California

26 Complainant

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